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- (i) At least annually, perform evaluations of the amount of the various services provided in each facility with respect to which Federal assistance has been provided under the Act, to determine whether such assurance is being complied with; and
- (ii) Establish procedures for the investigation of complaints that such assurance is not being complied with.
- (2) Evaluation pursuant to paragraph (j)(1) of this section shall be based on the annual budget of each facility for uncompensated services and on financial statements of such facilities filed pursuant to section 646 of the Act and §53.128(q), and on such other information, including reports of investigations and hearing decisions, as the State agency deems relevant and material.
- (3) The State plan shall provide for adequate methods of enforcement of the assurance, including effective sanctions to be applied against any facility which fails to comply with such assurance. Such sanctions may include, but need not be limited to, license revocation, termination of State assistance, and court action.
- (k) Reports. (1) The State agency shall, not less often than annually, report in writing to the Secretary its evaluation of each facility's compliance with the assurance, the disposition of each complaint received by the State agency, proposed remedial action with respect to each facility found by the State agency to be not in compliance with the assurance, and the status of such remedial action.
- (2) In addition, the State agency shall promptly report to the Regional Attorney and Regional Health Director of the Department of Health and Human Services the institution of any legal action against a facility or the State agency involving compliance with the assurance.

[37 FR 14721, July 22, 1972, as amended at 38 FR 16354, June 22, 1973; 40 FR 46203, Oct. 6, 1975]

§53.112 Nondiscrimination.

(a) Before an application is recommended by a State agency to the Secretary for approval, the State agency shall obtain an assurance from the applicant that all portions and services

- of the entire facility for the construction or modernization of which, or in connection with which, aid under the Act is sought will be made available without discrimination on account of creed and no professionally qualified person will be discriminated against on account of creed with respect to the privilege of professional practice in the facility.
- (b) Each construction contract is subject to the condition that the applicant shall comply with the requirements of Executive Order 11246, September 24, 1965 (30 FR 12319), relating to nondiscrimination in construction contract employment, and the applicable rules, regulations, and procedures prescribed pursuant thereto.
- (c) Attention is called to the requirement of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d; 78 Stat. 252) which provides that no person in the United States shall, on the ground of race, color, or national origin be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. A regulation implementing such title VI, applicable to assistance under this part for construction and modernization of hospitals and medical facilities, has been issued by the Secretary of Health and Human Services with the approval of the President (45 CFR part 80).

[37 FR 182, Jan. 6, 1972, as amended at 39 FR 31767, Aug. 30, 1974]

$\S 53.113$ Community service.

- (a) Applicability. The provisions of this section apply to every applicant which heretofore has given or hereafter will give a community service assurance.
- (b) Definitions. As used in this section:
- (1) The term community service assurance means an assurance required by regulations promulgated pursuant to section 603(e)(1) of the Act or the predecessor of that section (section 622(f), Public Health Service Act, enacted by Pub. L. 79–725, 60 Stat. 1041).
- (2) The term *facility* has the same meaning as is given it in §53.111(b)(1).
- (3) The term *applicant* has the same meaning as is given it in §53.111(b)(2).